

FINAL DRAFT EFFECTIVE 05-02-02

Current Issues in Washington Commercial Real Estate **A 3-Hour Mandated Curriculum and Learning Objectives**

Upon completion of this course the student will be able to:

MODULE 1- LICENSE LAW, ADMINISTRATIVE RULES AND OTHER REGULATORY ISSUES

1. Describe the statutory and regulatory requirements in handling client funds for seller's and buyer's of commercial real estate, including funds held by third parties.
2. Briefly describe the Department of Labor and Industries requirements regarding registration of general and specialty contractors.
3. Explain the recent changes in the enforcement of the real estate brokers and salespersons license law as a result of enactment of the Uniform Regulation of Business and Professions Act.

MODULE 2 – ENVIRONMENTAL AND LAND-USE ISSUES

1. Identify the following major environmental issues affecting commercial real estate practice:
 - Toxic mold;
 - Asbestos;
 - Lead, including paint and dust;
 - Arsenic;
 - Under-ground storage tanks;
 - PCB's (Polychlorinated Biphenyls), and
 - Geo-technical concerns.
2. Identify the major land-use challenges to Washington's commercial real estate industry, including:
 - Endangered Species Act, and
 - The 2002 Washington Supreme Court decision on "annexation", and
 - Infrastructure financing for transportation, water and sewer
3. Identify the following major issues impacting the development and construction of condominiums in Washington, including:
 - Product defect liability;
 - Construction defect liability and recourse, and
 - Affordability and access to bonding and insurance.

MODULE 3 – COMMERCIAL AGENCY RELATIONSHIP ISSUES

1. Describe the relationship between real estate brokers and their agents regarding agency relationships.
2. Describe the disclosure requirements of a commercial real estate licensee when acting as a transaction “principal”.
3. Describe the requirements of RCW 18.86 The Real Estate Brokerage Relationship Act by identifying the following:
 - General duties of all real estate licensees;
 - Specific duties of buyer’s and tenant’s agents;
 - Specific duties of seller’s and landlord’s agents, and
 - Specific duties of dual agents.
4. Identify the major industry alternatives for resolving competing claims for commissions and “procuring cause” actions.

MODULE 4 – CURRENT COMMERCIAL TRENDS

1. Identify the primary methods of addressing commercial real estate brokerage activity by “out-of-state” licensees, including license reciprocity, license recognition, cooperative brokerage agreements, and client referral arrangements.
2. Identify major changes in the Federal Tax Code regarding depreciation of investment real property.
3. Identify the major challenges of “e-commerce” initiatives and the need to protect customer and client privacy.
4. Identify emerging development opportunities as a result of recent Federal “brownfield” legislation.
5. Identify significant changes to commercial real estate forms in the past 24 months.